

County Buy-In Program

Managed Risk Medical Insurance Board (MRMIB)

Purpose

The purpose of the distribution of the Program Design Issue Paper is to present potential design options for the County Buy-In Program which would allow counties to use the existing Healthy Families Program (HFP) administrative and health coverage model. It would allow some counties with limited or no local infrastructure to “buy in” to the HFP model instead of expending human and financial resources in developing and maintaining a county-run HFP look-a-like model.

MRMIB is providing the opportunity for public comment on the potential design options for implementing the Buy-In Program and will conduct a public meeting to facilitate public discourse on the program design (see details below for date and time of meeting). Written comments will be due on September 6, 2005, two weeks after the meeting.

Background

There has been an increased focus on the number of uninsured children since the passage of the federal State’s Children’s Health Insurance Program (SCHIP) legislation in 1996. California enacted legislation to implement the Healthy Families Program (HFP), California’s SCHIP, in 1997 and began enrolling eligible uninsured children on July 1, 1998. Since implementation of the HFP, the program has provided health coverage to approximately 1.7 million uninsured children and currently has approximately 760,000 active subscribers. Medi-Cal (Medicaid) also plays a major role in covering the lowest income uninsured children and eligibility was expanded at the time SCHIP was implemented.

SCHIP and Medi-Cal have been successful nationwide and in California in reducing the number of uninsured children, from approximately 2.5 million uninsured children in 1998 to less than 900,000 uninsured statewide (CHIS data 2003). However, a number of the uninsured are neither eligible for the HFP or no-cost Medi-Cal (MC). Building on the HFP model, California counties have pioneered the development of a nationally recognized model for expanding health coverage to the ineligible population known as local Children’s Health Initiatives (CHI).

The CHIs have established a vision and outreach message of health coverage for all uninsured children that are county residents. They have used a diverse mix of public financing and private foundation support to fund the health coverage provided through the local CHIs. Through coordinated local outreach efforts in collaboration with State agencies, the CHIs are attempting to maximize enrollment in the public health coverage programs (HFP & MC) and providing comprehensive Healthy Kids gap coverage (CHI) to those ineligible for the public programs. There are approximately ten active county CHI programs that currently have enrolled children; there are approximately forty-eight counties that are in some stage of researching, planning and/or developing a CHI program.

In recognition and support of the shared goal of insuring all uninsured children, California has enacted several legislative acts to support local CHIs. Chapter 648, Statutes of 2001 (AB 495) created the Children's Health Initiative Matching (CHIM) Fund in the State Treasury administered by MRMIB. The fund allows for the intergovernmental transfer of local funds used for local CHIs purposes to draw down federal financial participation (FFP) matching funds for SCHIP eligible children. Four existing county CHIs (Alameda, San Francisco, San Mateo and Santa Clara) were approved to draw down FFP under a State Plan Amendment (SPA) approved by CMS in 2004. Currently, MRMIB is finalizing contract language with those four counties to initiate the flow of FFP funding and those counties may claim back retroactively to January 2003. MRMIB is also reviewing two additional county proposals to expand the number of counties drawing down FFP and anticipates submitting another SPA to CMS in fall 2005 for approval to expand the number of counties.

Chapter 80, Statutes of 2005 (AB 131) has authorized MRMIB to establish a County Buy-In Program to assist in the development of local CHIs. Counties and private foundations that have supported the development of CHIs have identified infrastructure barriers as a significant challenge for the other forty-eight counties that have yet to implement a CHI program. Some counties lack either the administrative and/or health coverage infrastructure necessary to implement a CHI or find the potential costs of developing the infrastructure is prohibitive.

The legislation establishing the County Buy-In Program allows those counties to "buy-in" to the HFP administrative and health coverage model. MRMIB staff has been researching and evaluating potential options for implementing the legislation. On July 27, 2005, MRMIB staff presented the Board an issue paper on program design issues which includes potential design options and staff's initial thoughts on those options. Staff also presented the Board with an ambitious draft work plan and timeline to implement the County Buy-In Program by July 2006. The Board directed staff to work with stakeholder groups to review and evaluate the design issues and to request letters of intent from local counties to identify how many would be interested in participating in the County Buy-In Program.

Program Design Review and Evaluation Process

MRMIB is distributing the program design issue paper to stakeholder groups and the general public for review and written feedback. The attached matrix (Attachment I) identifies specific design issues, potential options for addressing the issues, background information related to design issues, staff's initial thoughts on preferred options, and a blank column for public feedback.

In order to facilitate public discussion of the design issues, MRMIB will hold a public meeting to review and discuss the issues identified on the matrix on Thursday, August 25, 2005 from 10:00 am-3:00 pm at Sacramento City Hall's public hearing room located at the corner of 10th Street and H Street in downtown Sacramento. The meeting will assure that there is a clear understanding of all the design issues listed by stakeholders and the general public and adequate public discourse on those issues.

The deadline for written public feedback on the program design issues to MRMIB is Tuesday, September 6, 2005.

Program Design Issues Written Feedback

Written comments may be either mailed or emailed to MRMIB at the following addresses:

Mailing Address:

Manage Risk Medical Insurance Board
Attn: Ernesto A. Sanchez, Special Projects Section Manager
PO Box 2769
Sacramento, CA 95812-2769

Email Address: buyinprogram@mrmib.ca.gov

Letter of Intent

The attached Letter of Intent form (Attachment II) was sent to counties to identify the number interested in participating in the County Buy-In Program. MRMIB will only accept Letter of Intent responses from authorized County representatives and one per county.

Counties should coordinate the completion of the Letter of Intent form with the various agencies within each county and the authorized county representative. The intent is to identify which counties are interested in participating, potential county population to be served, available funds in the county, and the status of the county's planning/development process for its CHI.

The deadline for submission of the Letter of Intent form to MRMIB is Tuesday, September 6, 2005.

Inquiries or Questions

If you have any questions regarding the County Buy-In Program including the program design issue paper and the letter of intent, please contact Ernesto A. Sanchez, Special Projects Section Manager at (916) 327-6563 or by email at esanchez@mrmib.ca.gov.

Schedule of Events

Draft Program Design Issue Paper to Board for review	7/27/05
Distribution of Program Design Issue Paper to stakeholders	8/5/05
Distribution of Letter of Intent form packet to county representatives	8/5/05
Public meeting	8/25/05
Deadline for written feedback/letters of intent	9/6/05
Presentation of Program Design model to Board for approval	9/28/05